

## **Introduction**

**The Public Service Commission of Utah (PSC) is seeking an Independent Consultant (IC) for the implementation of Utah Senate Bill 132, Electric Utility Amendments.**

### **Scope of Services**

The PSC seeks to retain an IC with extensive experience in transmission cost allocation methodologies. Specifically, the IC must have a minimum of five years' experience in the following areas.

- Qualifications, expertise, and experience in developing and implementing FERC transmission cost allocation methodologies; and
- Experience and competency with large load customer contracts.

The PSC will also rely on the IC to assist in promulgating rules required under Utah Senate Bill 132, codified at Utah Code Section 54-26-101 (the "Large-Scale Electric Service Requirements Act" or the "Act"). Key IC responsibilities include to:

(1) develop, analyze, or both, potential methodologies for transmission cost allocation, accounting for the following factors:

- Federal Energy Regulatory Commission policies and precedents regarding transmission cost allocation;
- the projected increase in electricity demand from large load customers;
- the incremental transmission costs required to serve large load customers;
- the economic development benefits associated with serving large load customers;
- the need to maintain just and reasonable rates for retail customers;
- the extent to which new large load facilities are required specifically to serve large load customers;
- the extent to which large load customers utilize existing transmission infrastructure;
- methods to apportion costs based on cost causation and system benefits; and
- any other factors the commission determines are relevant to establishing a fair and reasonable allocation of transmission costs.

(2) Assist the PSC in promulgating rules to implement the Act, as follows:

- for the allocation of transmission costs between large load customers and retail customers for large load contracts executed on or after January 1, 2026;
- to expedite the review of applications for approval of a large load contract (means a large load construction contract or a large service contract under the Act);
- to require appropriate notices and warnings regarding separation from the utility system as relates to closed private generation systems under Utah Code Section 54-26-504 of the Act;
- for transmission requirements pertaining to the payment (i) for interconnection or transmission-related studies, any identified interconnection upgrades, transmission upgrades, network upgrades, distribution system upgrades, or system upgrades; and (ii) transmission service rates in the transmission provider's open access transmission tariff; and for payment and providing for ancillary services; balancing services; and backup services, under Utah Code Section 54-26-503; and,

(3) assist the PSC with the development of a tariff consistent with the promulgated rules and the Act.

Travel expenses must be approved in advance by the PSC and comply with State of Utah Travel policies. In addition, the IC must enter into a contract and agree with the State of Utah's terms and conditions for services, attached as Attachment A.